

ISRAEL STANDARD SI 10000

May 2006

ICS CODE: ##.###.##

Guidance on Social Responsibility of Organizations

(Translation)

(Based on the first working draft of ISO 26000 dated January 5, 2005)

DRAFT

Table of contents

Preface	1
0 Introduction	8
1 Scope	11
2 Normative References	13
3 Terms and Definitions	14
4 Determining the SR Context in which the Organization Operates	17
5 Strategy for Implementation of the SR Principles Relevant to the Organization	19
6 Guidance on Core SR Topics / Issues	20
6.1 General	20
6.2 The organization vis-à-vis the community	20
6.3 The work environment and workers' rights	21
6.4 Human and civil rights	22
6.5 Environment	23
6.6 Product or service life cycle	24
6.7 Marketing and consumer issues	24
6.8 Ethics in management	25
6.9 Corporate / Organizational governance	27
6.10 Transparency and accountability	28
7 Guidance for Organizations on SR Implementation	29
7.1 The management's responsibilities and powers	29
7.2 Competence / Training and awareness	29
7.3 Incorporation of operational procedures	29
7.4 Dialogue with stakeholders	30
7.5 Measuring SR performance and processes, reporting SR performance, and SR system quality assurance	30
7.5.1 Measuring SR performance and processes	30
7.5.2 Reporting SR performance	30
7.5.3 SR system review, assessment and quality assurance	31
7.6 Process documentation	31
ANNEXES	
Annex A – Supplementary bibliography for acquaintance with and understanding of SR	33
Annex B – Members of the Guidance Standard's Panel of Experts	35
Figures	
Figure 1 – Broadening the planning perspective through the implementation of SR	9

Preface

This Standard, entitled “**Guidance on Social Responsibility of Organizations**” (hereinafter: “Guidance Standard”), which is based on the outline for the first working draft of ISO 26000, as determined on January 5, 2005, describes a system of **Social Responsibility** (hereinafter: “SR”) that deals with social, environmental, ethical and economic issues, opportunities and risks. This Guidance Standard provides tools for identifying the range of issues that should be addressed within the framework of an SR system, and gives guidance on the implementation and maintenance of SR systems.

SR is the way in which an organization takes into account **social, environmental, economic and ethical considerations** on the way to achieving long-term success and sustainability. In the modern era, SR represents a significant factor in achieving organizational and corporate success, and is thus an essential element of the culture and managerial approach of organizations, in general, and business enterprises, in particular.

In the sphere of SR, organizations require a guidance document that will help them define the issues to be addressed, will instruct them towards establishing an appropriate SR management strategy and will outline methods for monitoring and controlling their performance in relation to SR goals and the improvements they have made in SR management. It is for this purpose that this Guidance Standard has been developed.

This Guidance Standard is **intended** to encourage organizations to commit themselves to SR. At the same time, this Standard is designed to provide a common framework for the guidance, definitions, principles and assessment methods related to SR. The guidance included in this Standard is based on a wide variety of relevant codes and Standards, both Israeli and international, however, it is not intended to replace them, but rather to provide a comprehensive, all-inclusive framework for establishing strategy and policy in the various areas of SR.

This Guidance Standard has been based on a **systemic approach to SR**. It has been developed so as to be applicable to organizations of any size, sector and type, and for integration into other management systems, such as quality management systems, environmental management systems, financial management systems, occupational health and safety management systems and work relations management systems.

This guidance includes **practical advice** with regard to the way SR issues should be addressed, taking into account the various applicable standards in this field. . In this context, the **fundamental elements** of SR are outlined, and each one is briefly discussed. Viewed collectively, these fundamental elements of SR provide checklists and a framework for socially responsible activity by which an organization may assess its SR performance and operate on the basis of its defined framework of operation.

This Guidance Standard **considers compliance with legal requirements a minimal threshold requirement**. The Standard presumes that organizations are well acquainted with the statutory environment in which they are operating and comply with the applicable legal requirements. It is, however, **recommended** that in the context of implementing SR, organizations adopt a broader, **“Beyond Compliance”** approach. This Guidance Standard acknowledges the need of business enterprises to strive to obtain both short-term and long-term financial success. At the same time, the fundamental belief underlying the Standard is that the social performance and financial performance of an organization are mutually dependent, and hence, the guidance provided by this Standard is designed to be compatible with, and to be incorporated into the organizational activities for attaining financial success.

It should be noted that this Guidance Standard is not intended to provide criteria for measuring the performance of organizations, neither is it designed for certification of an organization as a “socially responsible organization”. Rather, as stated, the purpose of this Standard is to provide practical guidelines for interested organizations to integrate an SR system into their other management systems.

This Guidance Standard deals with a number of **core topics and issues** that organizations should consider when setting out to improve their social, environmental and economic performance, as detailed below:

1. **The organization vis-à-vis the community** – The relationship the organization maintains with the community requires the organization to formulate its social views and values, and invites interaction with the social environment in which the organization operates. In the framework of its relations with the community, the organization should adopt, and implement a policy of preference for local products and services, whether regional or national and contribute to the economic development of the community, inter alia, by creating job opportunities.

2. **The work environment and workers' rights** – The organization is required to ensure an appropriate physical, social and managerial work environment that will allow workers at all levels in the organization to perform their work under optimal conditions, whilst maintaining mutual respect for the benefit of the workers and the organization's wellbeing. In this context, the organization will comply with international safety and occupational health laws and Standards concerning the workplace, and with ergonomic codes relevant to its activities. Thus, for instance, issues concerning safety and occupational health in the workplace should be handled by the organization by implementing a systemic approach, as specified, inter alia, by Israel Standard SI 18001, which deals with occupational health and safety management systems.
3. **Human and civil rights** – The organization's approach to human and civil rights reflects its moral beliefs regarding this issue. An organization that adopts an enlightened approach clearly expresses its aspiration to maintain and put into practice progressive norms. To introduce progressive norms in the area of human and civil rights, the organization should define its policy concerning this issue and specify how it will be implemented.
4. **Environment**– Defining an environmental policy makes it possible for the organization to formulate its views and to specify the course of action it intends to take concerning environmental protection. This environmental policy should be consistent with the type of organization, the nature of its activities and the products it manufactures or the services it provides. This policy establishes a framework for activity and determines goals and objectives relating to the protection of environmental resources. In this context, the organization should also identify the risks to the environment caused by its activities, and indicate how such risks are to be managed. The environmental policy the organization adopts should be a comprehensive, long-term policy and form an integral part of the organization's business strategy.
5. **Product / Service life cycle** – A management oriented approach to the life cycle of products and services enables reliable and safe handling of products and services, identification of significant SR issues, and their optimal management according to current conditions and required resources. Within the framework of life cycle management, occupational health, safety, environmental and other SR issues are considered at all stages of planning, production, distribution, storage, use, and product end of life, including the safe recycling and disposal of products, with no damage to the environment or injury to people. Within this framework the organization should identify and responsibly manage

the actual or potential effects of its products or services on stakeholders and the environment throughout their life cycle.

6. **Marketing and consumer issues** – The use of fair business practices in the framework of the organization's advertising and marketing activity as well as the inclusion of social activity in the marketing policy (a marketing policy known as CRM – Cause Related Marketing) contribute to the credibility of the organization in the eyes of customers, in particular, and the public, in general. In this context, the organization should be committed to issues such as maintaining transparency and credibility in advertising, avoiding the use of misleading, unethical marketing and sale techniques, and protecting consumer privacy.
7. **Ethics in management** – The organization and those working on its behalf should strive to promote ethical conduct and compliance with the Law within the framework of the organizational activities. This is to be accomplished by formulating an ethical code and developing a plan for its assimilation, designed, implemented and updated by the organization as required in accordance with its nature, size and areas of activity. The ethical code of the organization should address, inter alia, issues such as the definition of procedures regulating honest, fair and mutually respectful relationships with stakeholders, preclusion of the use of enticement and bribery, transparency with respect to information provision, fair contractual relations with agents and distributors, fair business competition practices, etc.
8. **Organizational / corporate governance** – Outlining rules for organizational / corporate governance provides for a concrete framework that enables members of the organization's board of directors and management to take action in order to optimally achieve the SR goals and objectives defined by the organization. This should be accomplished by establishing and operating organizational / corporate control or organizational/ corporate governance systems, designed to support the supervision, control and appropriate implementation of the organization's strategy or policy.
9. **Transparency and accountability** - Transparency and accountability relate to the organization's obligation to explain its conduct and to assume responsibility for the consequences of its actions. Through transparency and accountability, the organization proves the extent to which it is willing to make known data concerning its performance and the way by which it reaches decisions on various issues. It thus demonstrates its readiness to engage in a real dialogue about the diverse issues concerning SR.

To that end, the organization should periodically (once every one or two years) produce a report describing its SR activities based on principles such as those appearing in the GRI¹. Each report should be prepared in a credible and professional manner, maintaining the principles of transparency, balanced presentation of information and wholeness of the information presented.

Besides specifying and describing the core topics and issues to be examined towards improving its social, environmental and economic performance, this Guidance Standard details the systematic steps the organization should take in order to advance toward efficient SR management, as explained below:

At first, the organization should prepare an initial review of SR issues relevant to the organization and to its stakeholders, assess common practices in the areas of interest indicated, and identify gaps in the system and specific risks and opportunities. On the basis of all these, the organization should determine **the framework for the SR system** that it intends to incorporate and implement. The organization should involve its stakeholders in the process and hold a dialogue with them. The organization should demonstrate **commitment** to the SR framework by formulating its **SR policy statement**.

Subsequently, the organization should develop its **SR strategy**. This SR strategy should include a plan for the implementation and incorporation of the statement of SR policy throughout the organization, as well as in the organizational culture. The SR strategy developed should be an inseparable part of the overall strategy of the organization rather than a stand-alone strategy. The strategy should define broad organizational goals and timetables, as well as specific SR goals and timetables, and specific SR objectives and performance criteria (including process criteria). In addition, the organization should allocate adequate resources, formulate a policy of responsibility assumption and accountability, and establish a system for measuring performance and for reporting the findings.

At the next stage, the organization should identify and define **the areas of SR responsibility** for each member of the organization's management, and assign each of them appropriate authority in order to ensure effective implementation of the SR system.

¹ GRI = Global Reporting Initiative, an international organization acting under the auspices of the United Nations with the purpose of formulating rules for reporting on social, environmental and economic performance of organizations.

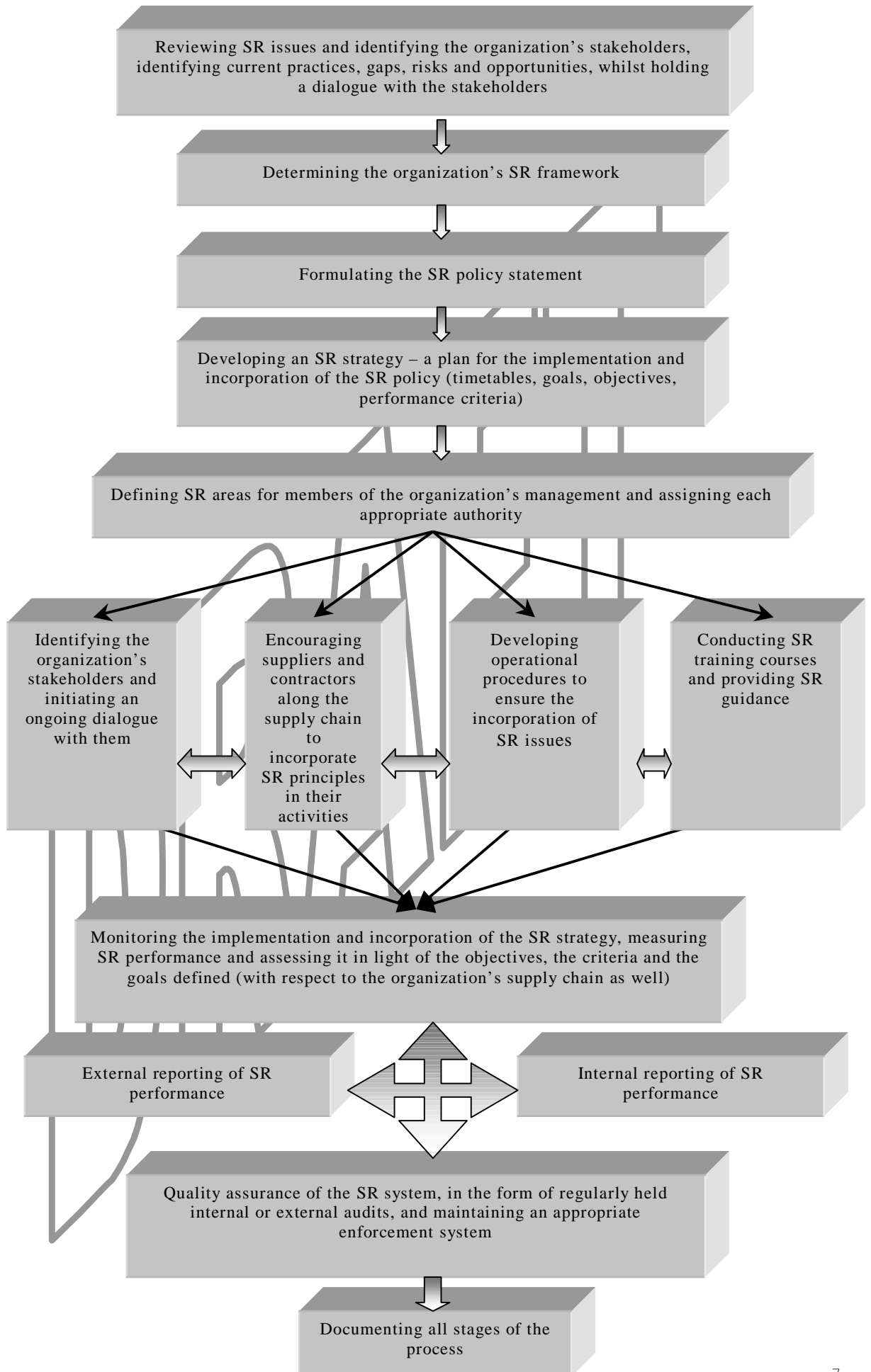
Guidance should be provided to workers and managers, to ensure effective management of the relevant issues. Furthermore, the organization should develop **operational procedures**, as required, to ensure the incorporation of relevant SR issues into the policy and activities of the organization. At this stage, the organization should endeavor to influence suppliers and contractors along the supply chain to incorporate **SR principles in their activities**.

To supervise the implementation of the steps described above, the organization should establish and maintain a **quality assurance system** that will examine the implementation and incorporation of the SR strategy. The organization should also develop defined procedures for the measurement and **internal & external reporting** of its SR performance. External reporting may be done according to the GRI¹ model, which is based on Triple Bottom Line (TBL) reporting, on the environmental, social and economic levels. In addition, the organization should ensure that suppliers along the supply chain report to the organization concerning their SR performance.

All stages of the process should be documented, starting with commitment and policy formulation, through the stages of strategy development, implementation & incorporation, and through to measuring and reporting the results of the periodic assessments, including any corrective action or changes in the system deriving from these assessments.

It is emphasized in the Guidance Standard that to achieve all this, the organization should establish a process for **identifying stakeholders**, for asking for their opinion and seeking their involvement and for providing feedback on their views and reporting back to them. The dialogue held with the stakeholders should be on a scale appropriate to the size, type and nature of the organization, and appropriate resources should be allocated to maintain this dialogue.

- ; **Following is a flow chart summarizing the Guidance Standard and providing an overview of SR implementation and incorporation process into organizations. This flow chart is not intended to replace the Guidance Standard, but to help organizations implement the Guidance Standard.**



0. Introduction

Social Responsibility (SR) in an organization is the way in which it takes into account social, environmental, economic and ethical considerations and communicates them to its stakeholders (such communication may be accomplished, inter alia, by means of social and environmental reports), to achieve long-term success and sustainability. In the modern era, organizational and corporate success involves social and environmental success as well. Nowadays, SR represents a significant factor in achieving such success and is thus an essential element of the culture and managerial approach of organizations, in general, and business enterprises, in particular.

In the quest for corporate success, fundamental moral, human and social values have, in recent years, often been neglected. Today, it is generally recognized that these values should be given top managerial priority, in order to ensure, on the one hand, improvement of beneficial processes, but on the other, to avoid, disruption to the existing management processes.

In the international arena, organizations frequently find that in order to be a part of a value chain or to be able to export to countries with advanced SR legislation, it is necessary to prove to other organizations, in other countries that they are operating according to SR principles..

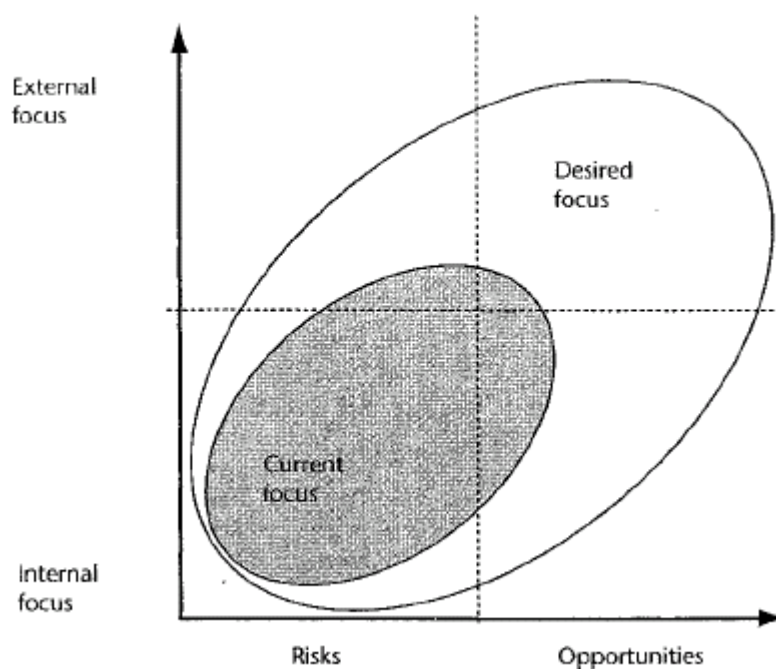
To attain better SR performance, organizations require a guidance document that will help them define the issues to be addressed, will instruct them towards establishing an appropriate SR management strategy and will outline methods for monitoring and controlling the improvements made and the corrective actions taken regarding their SR management. It is for this purpose that this Guidance Standard has been developed.

The SR management system should be an integral part of the existing management systems maintained by the organization. Therefore, it should be integrated into the overall managerial structure, as an additional means of supporting the organization's activities for attaining success.

It should be noted that the requirement to assume social responsibility does not imply that organizations should act in lieu of governmental agencies and, for instance, provide welfare services or initiate economic reforms. At the same time, SR philosophy maintains that organizational prosperity and sustainability are dependent upon the quality of life in the community the organization operates in. SR not only enables the organization to adopt a managerial perspective over and above financial and technical risks, but it also helps create added value for the organization and its stakeholders through social and environmental opportunities.

As illustrated in Figure 1 below, the broader the perspective adopted by an organization in its endeavor to understand how social trends influence its business activity and how it can effectively respond to the expectations of stakeholders and external interested parties, the better the organization is positioned both socially and in the business arena it operates in, and the better it is equipped to improve its performance.

Figure 1 – Broadening the planning perspective through the implementation of SR²



This Guidance Standard is designed to help organizations in the establishment of an SR management system. It should be noted, however, that various elements of SR management have already been thoroughly discussed and standardized. This Guidance Standard specifies the SR issues that have already been standardized (such as quality management, environmental management, and occupational health and safety management). Where applicable, this Guidance Standard also references various international documents and Standards that propose practicable solutions to relevant SR management issues.

Every organization may perform an independent analysis in order to find out its own specific characteristics and identify the SR elements relevant to its activities. This Guidance Standard has

² This figure is taken from the document entitled “Guideline for Corporate Social Responsibility”, issued by the Canadian Standards Association.

been structured modularly, so that each organization may choose the appropriate elements for a meaningful analysis of its SR activity and for corrective action, where necessary. The Standard's modular structure enables basic implementation of SR principles as well as implementation on a more comprehensive scale, required, for instance, from corporations and organizations interested in operating not only in their own country, but in foreign countries too.

This Guidance Standard provides guidance for organizations seeking to demonstrate social responsibility and to contribute to the establishment of a better society.

As this Standard addresses the issue of organizational social responsibility (SR), having been developed so as to include both substance and essence relating to SR, it is different from other ISO-based Standards, and hence, in compliance with ISO nomenclature, it is labeled a “Guidance Standard” rather than a “Standard”. Every organization is entitled to voluntarily implement the guidance provided, beyond compliance with applicable legal requirements.

DRAFT

1. Scope

The guidance provided in this Standard reflects a systemic approach to SR. It is formulated so as to be applicable to organizations of any size, sector and type, and for integration into other management systems, such as quality management systems, environmental management systems, financial management systems, occupational health and safety management systems and work relations management systems.

The guidance provided is designed:

- a. To describe an SR system that addresses environmental, social, ethical and economic issues, opportunities and risks.
- b. To help identify the range of issues that should be addressed within the framework of an SR system.
- c. To provide guidance on the implementation and maintenance of an SR system.

The guidance provided includes practical advice regarding the way SR issues should be addressed, taking into account the various applicable standards in this field. In this context, the fundamental elements of SR are outlined, and each one is briefly discussed. Viewed collectively, these fundamental elements of SR provide checklists and a framework for socially responsible activity by which an organization may assess its SR performance and operate on the basis of its defined framework of operation.

This Guidance Standard details the systematic steps the organization should take in order to advance toward efficient SR management. These steps are, in essence, as follows:

- a. Determining the framework for the SR system;
- b. Formulating the SR principles;
- c. Implementation of SR core principles;
- d. Implementation and integration of the SR system;
- e. Measuring SR performance;
- f. Reporting SR performance;
- g. SR system quality assurance;
- h. Documenting all stages of the process.

It should be noted that this Guidance Standard considers compliance with legal requirements a minimal threshold requirement. The Standard presumes that organizations are well acquainted with the statutory environment in which they are operating and comply with the applicable legal

requirements. It is, however, recommended that when implementing SR, organizations adopt a broader, “Beyond Compliance” approach.

- Ø This Guidance Standard acknowledges the need of organizations to strive to obtain both short-term and long-term financial success. Hence, the SR system defined by this Standard is designed to be compatible with, and to be incorporated into the organizational activities for attaining financial success, since the two issues are mutually dependent.

DRAFT

2. Normative References

The guidance provided by this Standard is based, inter alia, on the national and international Standards and documents detailed below:

Israel Standards

- SI 14001 - Environmental Management Systems - Requirements and Guidance for Use (Adopting ISO 14001 – 2004, in its translation into Hebrew)
- SI 18001 - Occupational Health and Safety Management Systems – Requirements (Adopting the British document OHSAS 18001 – 1999, in its translation into Hebrew)

Israeli laws, regulations and documents

The Code for Social Management in Business Enterprises – Maala, Business for Social Responsibility in Israel³

The Securities Act, 1968, including its regulations and their updates

The Corporations Act, 1999, including its regulations and their updates

The Parliamentary Bill for the Promotion of Ethics in Organizations, 2005

The Parliamentary Bill for Sustainable Development, 2004

The Goshen [see 6.9 – footnote 8] Review Committee’s Report on the Corporate Governance Code in Israel, 2006

National Standards

- AS 8003, Standards Australia - Corporate Social Responsibility (2003)
- Guidelines for Corporate Social Responsibility - Canadian Standards Association PLUS 9018

Foreign documents

SA 8000 - Social Accountability 8000 (2001)

The UN Universal Declaration of Human Rights, December 10, 1948

EMAS – Eco-Management and Audit Scheme - Regulation (EC) No 761/2001 of the European Parliament and of the Council + corrigendum (2002)

³ MAALA is the Hebrew acronym of “Commitment of Business Enterprises to the Welfare of Society in Israel”; it is an association of business enterprises acting for the benefit of Israeli society.

3. Terms and Definitions

The following definitions are applicable throughout this Guidance Standard:

a. Social Responsibility (SR) of organizations

The manner in which an organization takes into account social, environmental, economic and ethical considerations and communicates them to its stakeholders (such communication may be accomplished, inter alia, by means of social and environmental reports), on the way to attaining long-term success and sustainability.

In the modern era, organizational and corporate success involves social and environmental success as well. Nowadays, SR represents a significant factor in achieving such success and is thus an essential element of the culture and managerial approach of organizations, in general, and business enterprises, in particular.

b. Stakeholders⁴

All those who have an interest in the organization or in whom the organization has an interest, and who are influenced (or likely to be influenced) by the organization's activity or who influence (or are likely to influence) the organization's activity.

c. Sustainable development⁵ within the SR framework

Social, economic and environmental development that does not damage the resource base the organization draws from, does not deplete natural resources, does not inhibit their regeneration on

⁴ Identifying the organization's stakeholders makes it possible to correctly identify the various interfaces the organization maintains or is likely to maintain within the framework of its current and future activities. This process enables the organization to identify its stakeholders and to appreciate the relative importance of the dialogue it maintains with each of them regarding its current activity, as well as the undesirable consequences of failure to hold such a dialogue. It should be noted that the interaction of the organization with its stakeholders includes:

1) Identification: Identifying potential stakeholders along the organization's activity chain, e.g. suppliers and subcontractors; business partners; competitors; the community; non-profit associations and nongovernmental organizations (NGO's); educational and social organizations; public authorities; governmental agencies; investors; customers; marketers; insurers; the organization's personnel (those currently working on its behalf as well as those who have retired) and their family members; the environment; stockholders; the public at large; the generations to come, and so forth.

2) Rating: Rating the organization's stakeholders according to the following three criteria (collectively): their relevance to the organization's activity, the extent to which the organization influences them, and the extent to which they influence the organization.

3) Commitment: The organization and its stakeholders are mutually committed to listen to each other and to maintain a dialogue with each other regarding activities and resolutions relevant to both sides.

4) Communication: The organization and its stakeholders should jointly maintain structured processes of information sharing, information provision and reception, information handling and mutual updating. The organization should endeavor to encourage the involvement of its various stakeholders and to promote an open dialogue with them. Such communication may be accomplished by means of social reports.

⁵ The definition is taken from the Parliamentary Bill for Sustainable Development, 2004.

Earth, and does not produce irreversible environmental hazards, but that rather contributes towards nurturing the natural systems that provide those resources, whether directly or indirectly.

The concept of sustainable development was conceived in the late 1980's as a theory that integrates the interaction between economic development, on the one hand, and environmental and social conditions, on the other.. Sustainable development, along with the growing emphasis on corporate governance (see definition e.), have put the concept of social responsibility (SR) on top of the public and corporate agenda.

The Organization for Economic Cooperation and Development (OECD)⁶ characterizes SR as “the contribution of an organization towards sustainable development”. SR enables an organization to formulate its views not only on the basis of short-term financial considerations, but also through review of the way in which social and communal trends affect its short-term and long-term organizational plans and the manner in which its activities, products and services influence Society, the environment and the community.

d. Social marketing

Marketing based upon social values.

Thus, for instance, CRM (Cause Related Marketing) is a marketing technique involving commercial activities where business enterprises and non-profit organizations enter into alliances for the purpose of marketing an image, a product or a service to the benefit of both sides. CRM programs adopted by different corporations may differ in terms of scope, planning, the type of partners chosen to advance the social cause, and the nature of their relations with these partners. The most common relationship is that where a corporation contributes to a non-profit organization a certain percentage of each purchase made by its customers over a specific period of time. The underlying idea is that the buyer contributes by his very purchase to the social organization or to the social cause, so that two purposes are achieved at the same time – consumption and contribution. The contribution made is passed on to its destination by the business enterprise, but the identification of the consumer with the social cause will prompt him to buy the product marketed by the business enterprise, and will thus increase the turnover of that enterprise. Other forms of CRM are also in use, e.g. participation in educational activities or in activities designed to stir interest in a certain issue or enlist public support for a cause; however, such activities are less common.

⁶ The Organization for Economic Cooperation and Development (OECD) incorporates 30 states committed to democracy and to free market economy. The organization plays a key role in the quest for improving governance practices of public agencies and business enterprises.

e. Corporate / Organizational governance⁷

A system that manages a corporation or an organization and supervises its activities.

The structure of corporate / organizational governance defines the areas of responsibility and authority assigned to the various office holders in the corporation / organization, e.g. directorate and management members, stockholders and other stakeholders, and explicitly sets forth the rules and procedures for decision making on issues concerning the corporation / organization. The corporate / organizational governance thus provides the structure through which corporate or organizational goals are attained as well as the means for achieving these goals, and the systems for monitoring and controlling performance.

f. Ethical code⁸

A document that systematically presents and explains values and standards or mandatory ethical codes, with reference, inter alia, to the organization's underlying principles and to democratic values.

Without limiting the foregoing, the ethical code should address, for example,, issues such as responsibility, trust, credibility, integrity, professionalism, sensitivity to the likelihood of apparent bias, as well as the organization's commitment to safeguard human dignity and, especially, human life and health, and its commitment to its customers (entailing appropriate advertising policy), to its creditors, to its suppliers, to its workers, to the public at large and to the protection of the environment.

g. Sustainability report / Social and environmental report

A process through which the organization reports to the public on its economic, environmental and social performance.

This reporting process is designed to broaden the framework of organizational financial reporting whilst recognizing that financial reporting alone no longer meets the requirements of organizations' stakeholders , such as stockholders, customers, suppliers, employees and the community the organization operates in. Through this reporting process, the organization reports to its various stakeholders on a variety of issues such as the extent to which its activities affect the environment, the degree to which its activities promote the economic status of its various stakeholders – employees, suppliers and the communities in which it operates, and the manner in which its activities influence Society with respect to issues such as human and civil rights, discrimination of various types, etc.

⁷ The definition is based upon the OECD's definition of "Corporate Governance".

⁸ The definition is taken from the Parliamentary Bill for the Promotion of Ethics in Organizations, 2005.

4. Determining the SR Context in which the Organization Operates

4.1 General

Within the framework of the dialogue held with the stakeholders, every organization should identify the SR issues relevant to the various stages of the process, and determine the SR context in which it proposes to operate.

4.2 Commitment and policy

4.2.1 Commitment

Successful development of an SR system is dependant on the commitment of the organization's top management.

To bring about organizational commitment to the stakeholders, the organization should prepare an initial review of SR issues, including the issues specifically relevant to the organization, as well as an evaluation of common practices in the areas of interest indicated. The review should identify and evaluate common practices upon which the organization should base its operations, and specify those practices that ought to be discarded; it should also point out gaps in the system, and specific risks and opportunities.

In addition, the overall organizational strategy should be defined, along with the organization's managerial philosophy, and areas of involvement and activity relating to SR issues should be identified for directorate and management members as well as for those working on behalf of the organization.

Once the initial review has been prepared and the overall organizational strategy defined, the organization's top management should commit itself to the SR process, as a necessary step for the process to successfully proceed.

4.2.2 Policy

Commitment is reflected in policy – a policy that will make clear the top management's plans regarding SR issues and direct the organization in setting SR objectives and goals. To that end, the organization should formulate its SR policy statement, and this policy should be implemented throughout the organization, starting with the organization's top management.

The policy statement, in which the organization's management expresses the organization's commitment to SR, should be as follows:

- a. It should be compatible with the nature and size of the organization, and take into consideration the potential effect of the organization's activities, products and services.
- b. It should express commitment to continual improvement.
- c. It should include a well-defined statement of the organization's values and principles.
- d. It should specify relevant general SR issues to which the organization is committed.
- e. It should be communicated to, and acknowledged by the organization's workers, those working on its behalf and its stakeholders.
- f. It should be implemented throughout the organization.
- g. It should provide a framework to ensure that corrective actions relating to SR performance are taken and continual improvement implemented in light of the guidance.

DRAFT

5. Strategy for Implementation of the SR Principles Relevant to the Organization

The organization should develop an SR strategy, including a plan for the implementation and incorporation of the SR policy statement, inter alia, within the organization's culture. This SR strategy should be an inseparable part of the overall strategy of the organization rather than a stand-alone strategy.

The SR strategy developed should determine:

- a. Broad organizational goals and timetables.
- b. Specific SR goals and timetables.
- c. Specific SR objectives and performance criteria (including process criteria), wherever appropriate or practicable.
- d. Allocation of resources, whilst indicating their scope and purpose.
- e. A policy of defining responsibility and accountability for organizational issues and office holders in the organization.
- f. A system for measuring performance and for reporting the findings

This strategy should be reviewed and updated regularly, to ensure that new issues as well as stakeholders' views are taken into consideration.

6. Guidance on Core SR Topics / Issues

6.1 General

An SR management policy requires the organization to review a variety of issues, processes and functions, to analyze the manner in which they are addressed within the organizational framework, and to perform adjustments, corrections and improvements to ensure the optimal management of SR issues.

The organization is expected to be acquainted with the standards, codes and conventions relating to the various issues addressed in this Guidance Standard, and to implement them. Fulfillment of the aforesaid is a cornerstone of SR management. It is thus recommended that, in the context of implementing SR, the organization voluntarily adopt a broader, “Beyond Compliance” approach, and implement it in relation to all relevant issues and processes. This section gives guidelines for the implementation of a number of major SR issues with the purpose of providing a basic framework for SR implementation within the organization.

6.2 The organization vis-à-vis the community

The relationship the organization maintains with the community requires the organization to formulate its social views and values, and invites interaction with the social environment in which the organization operates. In the framework of its relations with the community, the organization should perform as many as possible of the following recommended activities, to be selected at its discretion:

- a. Adopt, and implement a policy of preference for local products and services, whether regional or national;
- b. Contribute to the economic development of the community, inter alia, by creating job opportunities;
- c. Prefer socially oriented marketing (e.g. CRM) as a social-business strategy contributing to the community;
- d. Donate to the community, maintain a policy advocating contribution to the community (whether financial or non-financial) and, in this context, define its policy regarding the voluntary activity of its workers;
- e. Appoint its delegates to steering committees and task teams coping with social issues concerning the community;
- f. Contribute to the promotion of education and equal opportunity in the community it operates in;

- g. Endeavor to develop its relationship with the community, through its employees and their specific capabilities.

6.3 The work environment and workers' rights

The organization is required to ensure an appropriate physical, social and managerial work environment that will allow workers at all levels in the organization to perform their work under optimal conditions, whilst maintaining mutual respect for the benefit of the workers and the organization, as detailed below:

a. Physical work environment:

The organization should comply with international safety and occupational health laws and Standards concerning the workplace, and with ergonomic norms relevant to the organization's activities. Issues concerning safety and occupational health in the workplace should be addressed using a systemic approach, as specified, inter alia, by Israel Standard SI 18001.

b. Work relations

1. Norms for employment should ensure mutual respect, fair wages and appropriate work conditions.
2. The principles governing work relations should be stated in maximal detail, and made known to the workers in their entirety, together with periodic updates, as required. The detailed statement of principles should cover issues such as: workers' rights, special benefits, personal bonuses, wage levels, promotions, technical training, etc.
3. Transparency should be maintained, to enable workers to know how decisions are made concerning their work conditions, including professional & administrative promotions, whilst being aware of the criteria and processes that determine promotion at work.
4. The wage level should enable the workers to provide for themselves and their families.
5. The organization should invest in the development of human capital and in professional capacity building.
6. Workers' performance should be periodically reviewed, for the purpose of providing feedback and identifying potential candidates for promotion to managerial positions, following appropriate guidance and training. Effective control procedures should be determined for this process.
7. Organizational culture and policy should be maintained supporting mutual respect in the workplace and banning harassment or maltreatment of workers, whether male or female.
8. Within the framework of a well-defined, openly stated policy, workers will be allowed to express themselves freely, without fear of sanctions, dismissal or persecution. A

communication system should be established and maintained to enable the workers to convey to the organization's management information of any type: criticism, proposals for streamlining organizational activities and other suggestions for improvement, complaints, reports on sexual harassment, etc.

9. Fair employment practices should be used with workers of all types (e.g. contractor workers, self-employed workers, part-time workers, temporary workers).
10. Diverse population groups should be encouraged to join the workforce, including minorities and underprivileged or disadvantaged population groups. An accessible work environment should also be ensured, to enable the employment of persons with various disabilities, whilst providing technical solutions to answer their needs.
11. Sensitivity to human, cultural, gender and religious issues should be practiced, and workers should be allowed to adhere to personal principles and beliefs.
12. Subcontractors, suppliers and organizations practicing high norms for employment should be given preference. Furthermore, the organization should request its subcontractors and all others along its supply chain to comply with the organizational norms, and this should be explicitly stated in the contracts it signs with them.
13. Where there is a labor organization, correct and fair relations should be maintained with it, and its representatives should be consulted on any decision likely to affect work conditions.
14. Attention should be given to the balance between work hours and leisure time.

c. Dismissal policy

1. In no case shall workers be arbitrarily dismissed. In those cases where the organization considers it necessary to dismiss workers, it should enter into negotiations with the relevant bodies before naming the workers to be dismissed. In any event, dismissal of workers as a means of cost reduction should be the organization's last resort.
2. Based on the policy of equitable managerial norms and fair mutual relations, any conflicts between the organization and the workers should be preferably settled through win-win solutions, to the benefit of both sides.
3. In the case of dismissals, the organization should prepare the workers concerned for the imminent dismissal and accompany them over a reasonable period of time, whilst helping them, inter alia, to find another employment.

6.4 Human and civil rights

The organization's approach to human and civil rights, expressed inter alia by the policy it adopts on this issue, reflects its moral beliefs in this sphere. Through this policy the organization can

clearly demonstrate its aspiration to maintain and implement progressive norms. The organization should specify how it intends to put these norms into practice.

The organization should define its policy on human and civil rights and specify how it will be implemented as regards, inter alia, the following issues:

- a. Equal employment opportunity and absence of discrimination in the workplace;
- b. Banning child labor;
- c. Banning forced labor;
- d. Commitment to the protection of human rights, inter alia, according to the UN Universal Declaration of Human Rights;
- e. Assigning importance to all the issues detailed above, within the organization and along its supply chain.

6.5 Environment

Defining an environmental policy makes it possible for the organization to formulate its views and to specify the course of action it intends to take concerning environmental protection and its contribution to the protection of environmental resources.

This environmental policy should be consistent with the type of organization, the nature of its activities and the products it manufactures or the services it provides. This policy establishes a framework for activity and determines goals and objectives relating to the protection of environmental resources. In this context, the organization should also identify the environmental risks caused by its activities, and indicate how such risks are to be managed. The environmental policy the organization adopts should be a comprehensive, long-term policy and form an integral part of the organization's strategy.

The organization should identify, classify and document the environmental consequences, both actual and potential, of its activities, the products it manufactures and the services it provides, with regard to the following issues:

- a. The use of natural resources: energy, water, soil, raw materials;
- b. Hazardous solid waste, effluents and soil pollution; emission of pollutants into the atmosphere; radiation, noise;
- c. Use of hazardous materials;
- d. Environmental emergency situations.

In view of the identified environmental consequences of its activities, products and services, the organization should:

- a. Identify the applicable environmental legal requirements relevant to its activities, and take the required steps to comply with it.
- b. Define a policy, set goals and objectives and prepare a plan (specifying areas of responsibility, timetables and budget) for minimizing the depletion of natural resources and/or for reducing and, where practicable, preventing environmental pollution and risks generated by its activities, products and services.
- c. Establish and maintain a management system that will ensure compliance with applicable legal requirements, sustainable development and the implementation of the organization's environmental plan such as Israel Standard SI 14001, EMAS, etc., whilst evaluating environmental risks and/or environmental opportunities, identifying opportunities for improvement, setting goals and objectives, and reviewing the organization's environmental performance and reports.

6.6 Product or service life cycle

A management-oriented approach to the life cycle of products and services enables reliable and safe handling of products and services, identification of significant SR issues, and their optimal management according to specified conditions and the required resources.

Within the framework of product / service life cycle management, occupational health, safety, environmental and other SR issues should be considered at all stages of planning, production, distribution, storage, use, and product end of life, including the safe recycling and disposal of products, with no damage to the environment or injury to people.

Within the SR framework, the organization should identify and responsibly manage the effect of its products or services on its stakeholders as well as on the environment throughout the product and/or the service life cycle.

6.7 Marketing and consumer issues

The use of fair business practices within the framework of the organization's advertising and marketing activity, as well as the inclusion of social activity in the marketing policy (CRM) contribute to the credibility of the organization in the eyes of customers, in particular, and the public, in general.

In this context, the organization should be committed, inter alia, to the following issues:

- a. Maintaining transparency and credibility in advertising;
- b. Avoiding the use of misleading or unethical marketing and sale techniques; avoiding false promises in advertising and manipulative child oriented advertising;
- c. Ensuring equal and fair treatment of all population groups in the organization's marketing and advertising campaigns, and avoiding disrespectful treatment of women and minority groups;
- d. Maintaining adequate controls to ensure that the organization is not misusing its influence on vulnerable population groups through inappropriate advertising or marketing practices;
- e. Protecting consumer privacy.

6.8 Ethics in management

The organization and those working on its behalf should strive to promote ethical conduct within the framework of the organization's activities. This is accomplished by developing a plan for the integration of ethical standards, designed, implemented and updated by the organization as required appropriate to its nature, size and areas of activity. This plan should include at least the following:

- a. Formulation of an ethical code, whilst encouraging the organization's workers to take part in the process. The ethical code should address, inter alia, the following issues:
 1. Defining procedures for honest, fair and mutually respectful relationships with stakeholders;
 2. Precluding the use of enticement and bribery, as well as promotional practices such as business gifts or entertainment of prospective customers etc.;
 3. Avoiding political contributions;
 4. Transparency when providing information to stakeholders and with stakeholder relations;
 5. Fair contractual relations with agents and distributors;
 6. Knowledge of applicable legal requirements and acceptable codes of conduct in the countries in which the organization operates, and commitment to comply with them;
 7. Use of fair business competition practices, in keeping with moral, human and social norms;
 8. Avoiding use of industrial espionage or of dubiously obtained information concerning competitors;
 9. Evaluating the use of advertising and marketing practices in light of fair business norms; avoiding potentially misleading advertising; and safeguarding human dignity;

10. Protecting the privacy and confidentiality of stakeholders and customers in all interaction and dealings with them.

b. Once the ethical code has been formulated, the organization's top management should be regularly updated on the contents and implementation of the internal ethical plan; and ensure reasonable supervision of its effective integration.

c. Senior officials in the organization should ensure the maintenance and implementation of this ethical plan. The organization should appoint a senior official or a group of senior officials as the "trustees" of ethics, and assign them the daily, overall executive responsibility for the implementation, incorporation and enforcement of the ethical code, as well as for reporting at regular intervals – at least once a year – to the organization's top management on the extent to which the ethical plan has been effective, and for regularly evaluating and updating it. For this purpose, the said senior office holder or office holders should be accorded adequate resources and powers, and direct access to the organization's top management.

d. Senior positions of substantial authority in the organization should be assigned, and discretionary powers regarding significant issues delegated only to those office holders whom the organization trusts to impeccably and consistently act according to the internal ethical plan, and who show integrity and loyalty to the organization's culture and especially to its ethical code.

e. The organization should ensure the effective, continual and meaningful incorporation of the ethical code among all those working on its behalf, and, in particular, within the organization itself – management members and workers at all levels, by taking, inter alia, the following steps:

1. Regularly and consistently describing and explaining the ethical code and the various aspects of the ethical plan to all those working on behalf of the organization;
2. Establishing and implementing monitoring and control systems designed to detect and prevent unethical and, in particular, illegal conduct on the part of those working on behalf of the organization;
3. Establishing, and encouraging the use of an accessible system, optionally including a confidentiality ensuring apparatus, which those working on behalf of the organization and, as far as possible the public at large, will be able to consult, or report to concerning unethical and, in particular, illegal conduct in the organization, without fear of being mistreated as a result.
4. Awarding incentives for impeccable conduct, in accordance with the ethical plan;

5. Establishing a system to deal with unethical and, in particular, illegal activity once such activity has been detected, and to take predetermined, appropriate measures to set right the wrongdoing, in response to the improper activity detected and to avoid similar potential activities. The measures taken may include, inter alia, disciplinary measures, publicizing the case, and modifying the internal ethical plan as required.

f. The organization should periodically evaluate – at least once a year – the effectiveness of the internal ethical plan and the risk of illegal conduct on the part of the organization and those working on its behalf, and take appropriate steps to reformulate, to assimilate or to modify any requirement specified in this clause, to reduce the possibility of such cases of illegal conduct identified through this process.

g. The organization should endeavor to distribute the ethical code among subsidiary companies, business partners and stakeholders.

6.9 Corporate / Organizational governance

The principles of corporate / organizational governance represent a set of standards and codes defining the manner in which organizations should be managed, as regards control and supervision. The principles of corporate / organizational governance may at times differ from applicable legal requirements; however, these principles are not intended to replace applicable legal requirements or to amend them, but are rather designed to serve as an additional component of the mandatory code⁹.

Outlining rules for corporate / organizational governance provides for a concrete framework that enables members of the organization's board of directors and management to take action in order to optimally achieve the SR goals and objectives defined by the organization. In organizations without a board of directors, it is the role of the organization's management to maintain maximal control over the issues related to corporate / organizational governance.

The organization's board of directors or its top management should, of their own accord, assume responsibility for supervising the organization, by taking the following steps:

- a. Define clear rules relating to all aspects of proper governance practices, establish a process for strategic planning, and evaluate its applicability to the organization once a year.

⁹ Based on the recommendations made by the Goshen Review Committee on the Corporate Governance Code in Israel.

- b. Identify major risks related to SR issues, generated by organizational activities, and incorporate risk management systems.
- c. Prepare periodic reports on corporate / organizational governance issues related to SR.
- d. Define rules for communication with reference to the manner in which the organization addresses transparency and accountability vis-à-vis the stockholders, the community of investors and other stakeholders.
- e. Maintain internal financial supervision and manage data systems through a committee or a direct supervisor and review periodic internal financial reports as well as reports from external certified public accountants.
- f. Maintain structured internal supervision over the organization, so as to ensure maximal transparency of organizational processes and decisions; address SR issues within the framework of risk management; follow up troubleshooting activities of any type, whilst tracing faults through to their origin, and implement the changes required on the basis of the lessons learned.

6.10 Transparency and accountability

Transparency and accountability relate to the organization's obligation to explain its conduct and to assume responsibility for the consequences of its actions.

Through transparency and accountability, the organization proves the extent to which it is willing to make known data concerning its performance and the way by which it reaches decisions on various issues. It thus demonstrates its readiness to engage in a real dialogue concerning the diverse range of SR issues.

- a. Whilst formulating its transparency and accountability policy, the organization should endeavor to consider its various stakeholders individually.
- b. It is recommended that the organization formulate a written transparency and accountability policy.
- c. Management at all levels should be informed of this policy, so as to avoid information bottlenecks at various managerial junctions.
- d. The organization should endeavor to maintain reliable and credible accountability, whilst upholding the principles of transparency.
- e. The organization should persistently strive to achieve its goals in the dialogue it maintains with its stakeholders, in view of both the lessons learned concerning fundamental issues, and the depth of the dialogue and its content.

The organization should periodically (once every one or two years) produce a report describing its SR activities based on principles such as those appearing in the GRI¹, which involve Triple Bottom Line (TBL) reporting, on the environmental, social and economic levels. The report should be prepared in a credible and professional manner, maintaining the principles of transparency, balanced presentation of information and wholeness of the information presented.

7. Guidance for Organizations on SR Implementation

7.1 The management's responsibilities and powers

The areas of responsibility related to SR issues should be identified and defined for each member of the managerial staff in charge of operations, and appropriate authority should be assigned to ensure the effective implementation of the SR system.

The organization's management should review the SR system at preplanned intervals, to ensure its enduring suitability, adequacy and efficiency.

7.2 Competence / Training and awareness

The organization's workers and those working on its behalf should be aware of its SR system. They should receive training, as required, to ensure the effective management of relevant SR issues. This may include:

- a. Guidance on the fundamental elements of SR;
- b. Guidance on the organization's SR policy, strategy and procedures;
- c. Participation, during working hours, in consultations with stakeholders (within the framework of the dialogue held with them);
- d. Guidance on issues related to communication with stakeholders;
- e. Guidance for newly recruited workers and follow-up guidance (refresher and updating courses) for veteran workers (so as to provide them with continuing, rather than one-time guidance).
- f. Updates on the organization's progress with respect to the implementation and incorporation of its SR strategy;
- g. Participation in relevant external seminars.

7.3 Incorporation of operational procedures

Operational procedures should be developed as required, to ensure the incorporation of relevant SR issues into the policy and activities of the organization.

All workers should be familiar with operational procedures concerning SR issues that are related to their work.

7.4 Dialogue with stakeholders

The organization should establish a process for identifying stakeholders, for asking for their opinion and seeking their involvement and for providing feedback on their views and reporting back to them. This process should be documented. The dialogue held with the stakeholders should be on a scale appropriate to the size, type and nature of the organization, and adequate resources should be allocated to maintain this dialogue.

7.5 Measuring SR performance and processes, reporting SR performance, and SR system quality assurance

7.5.1 Measuring SR performance and processes

The organization should regularly and frequently monitor the implementation and incorporation of its SR strategy, as well as the extent to which performance meets specific, predetermined objectives, criteria and goals.

The measurement process (involving not only quantitative, but qualitative measurement as well) should examine, inter alia, processes and the manner in which they are implemented.

The organization should maintain a system to manage feedback from its stakeholders and/or encourage them to supply feedbacks.

7.5.2 Reporting SR performance

a. Internal reporting

The organization should establish an internal reporting framework, designed to ensure that information concerning performance:

- 1) Is incorporated into all other internal reports;
- 2) Adequately supports the external reporting;
- 3) Enables identification and correction of performance or system nonconformities.

b. External reporting

The organization should develop a system for periodic external reporting that will cover at least the following issues:

- 1) Policy, procedures and relevant commitments;
- 2) The progress made towards achieving SR goals;

- 3) Performance and system nonconformities;
- 4) Corrective actions and preventive actions that have been taken.

External reporting may be done according to the GRI¹ model, which is based on TBL (Triple Bottom Line) reporting, on the environmental, social and economic levels.

c. Reporting from along the supply chain

Responsibility along the supply chain is a vital issue, especially in those sectors where outsourcing is extensively used in the course of production. As far as possible, organizations should encourage their suppliers to maintain the same principles they themselves maintain, and thus promote appropriate practices along the supply chain.

To that end, the organization should understand the fundamental environmental and social consequences of its suppliers' activities, and define the information to be requested from them. The organization should endeavor to reduce the burden of reporting on its suppliers. The information provided by the suppliers should be accurate and verifiable, and collected in a uniform format, so as to allow comparisons and integration of the information into the organization's documentation and reporting systems.

7.5.3 SR system review, assessment and quality assurance

The SR system should be regularly assessed, and an appropriate compliance system should be maintained, so as to demonstrate credibility to the stakeholders. The regular assessments should review the SR system adequacy and effectiveness and recommend improvements, as required.

This assessment may be carried out as an internal audit of the SR system, or through any form of verification by a third party. The organization may consider the involvement of stakeholders' representatives in the process. In case the stakeholders are interested in verification by a third party, but the process is too costly, the organization may opt for verification of its external reports or a part of them or a single issue covered by them alone. In this case, the organization should indicate the issues verified by a third party and those that have not been included in the verification process.

7.6 Process documentation

All stages of the process, as detailed in this Guidance Standard, should be documented, starting with commitment and policy formulation, through the stages of strategy development, implementation & incorporation, and through to measuring and reporting.

The documentation should thus include information concerning the dialogue held with stakeholders (including information concerning suppliers), information on SR performance, and the results of activities, whether internal or external, related to SR system quality assurance. The documentation of SR issues should be incorporated into existing documentation systems. The documentation should be retained in a manner ensuring accountability and transparency.

Additionally, the organization should document the results of the periodic assessments and of any consequent corrective action or modifications in the system.

DRAFT

ANNEXES

Annex A – Supplementary bibliography for acquaintance with and understanding of SR

U.S. Department of Commerce — U.S. Model Business Principles
 Consumer International — Consumer Charter for Global Business
 Centre for Global Ethics — Code of Ethics on International Business for Christians, Muslims and Jews
 Social Venture Network — Standards of Corporate Social Responsibility
 Fairtrade Labelling Organization — International Fairtrade Standards
 Clarkson Principles of Stakeholder Management
 Keidanren Charter for Good Corporate Behavior

Environment

Coalition for Environmentally Responsible Economies — CERES Principles
 International Chamber of Commerce — Business Charter for Sustainable Development
 European Commission — Eco-Management and Audit Scheme
 Rio Declaration on Environment and Development

Labour

International Labour Office — Tripartite Declaration of Principles concerning Multinational Enterprises and
 Social Policy
 International Labour Office — Declaration on Fundamental Principles and Rights at Work
 International Confederation of Free Trade Unions — Basic Code of Labour Practice
 Fair Labour Association — Workplace Code of Conduct
 The Ethical Trading Initiative — Base Code
 Council on Economic Priorities — Social Accountability 8000
 Worker Rights Consortium — Model Code of Conduct

Corporate Governance

OECD Principles of Corporate Governance
 Commonwealth Association for Corporate Governance — Principles for Corporate Governance in the
 Commonwealth
 Toronto Stock Exchange Guidelines for Improved Corporate Governance (Dey Report)
 Committee on Financial Aspects of Corporate Governance in the United Kingdom — Cadbury Code of
 Best Practice

Money Laundering

Wolfsberg Anti-Money Laundering Principles
 Basel Committee on Banking Supervision
 Financial Action Task Force on Money Laundering — Forty Recommendations

Bribery and Corruption

OECD Convention Combating Bribery of Foreign Public Officials in International Business Transactions
 Business Principles for Countering Bribery, prepared by Transparency International in conjunction with
 Accountability International
 European Union Convention Against Corruption
 Council of Europe Convention on Corruption
 Organization of American States — Inter-American Convention against Corruption
 UN Declaration Against Corruption and Bribery in International Commercial Transactions
 International Chamber of Commerce — Rules of Conduct to Combat Extortion and Bribery
 Global Coalition for Africa — Principles to Combat Corruption in African Countries

Public Officials

UN International Code of Conduct for Public Officials
 Transparency International — A Code of Conduct For Persons in Positions of Responsibility
 Council Of Europe — Model Code of Conduct for Public Officials
 Nolan Committee — Seven Principles of Public Life

Human Rights

UN Universal Declaration of Human Rights
 Amnesty International — Human Rights Principles for Companies
 Voluntary Principles on Security and Human Rights, prepared by the governments of the United States and the United Kingdom
 UN Draft Norms on the Responsibilities of Transnational Corporations and other Business Enterprises with Regard to Human Rights
 UN Covenant on Economic, Social and Cultural Rights
 UN Covenant on Civil and Political Rights
 UN Convention on the Elimination of All Forms of Discrimination against Women
 UN Convention on the Elimination of All Forms of Racial Discrimination
 UN Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment
 UN Convention on the Rights of the Child

Industry-specific Codes

Canadian Chemical Producers' Association — Responsible Care Codes of Practice
 Equator Principles for the Financial Industry, prepared by the International Finance Corporation in conjunction with the World Bank
 Forest Stewardship Council — Principles and Criteria
 Mining Association of Canada — Sustainable Mining Principles
 International Council on Mining and Metals — Sustainable Development Charter
 UK Department for International Development — Extractive Industries Transparency Initiative
 Principles for the Conduct of Company Operations within the Minerals Industry, prepared by a consortium of Australian non-governmental organizations
 International Chamber of Commerce — International Code of Advertising Practice
 Apparel Industry Partnership — Workplace Code of Conduct and Principles of Monitoring
 European Clean Clothes Campaign — Code of Labour Practices for the Apparel Industry
 Worldwide Responsible Apparel Production — Principles
 World Federation of the Sporting Goods Industry — Model Code of Conduct
 RUGMARK International — RUGMARK Program

Reporting

Global Reporting Initiative — Sustainability Reporting Guidelines
 Institute of Social and Ethical Accountability — AccountAbility 1000

Other comprehensive codes

Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises
 United Nations (UN) Global Compact
 Caux Round Table Principles for Business
 Global Sullivan Principles of Social Responsibility
 Principles for Global Corporate Responsibility: Bench Marks for Measuring Business Performance, prepared by a coalition of church-based organizations in Canada, the U.S., and the U.K.
 International Code of Ethics for Canadian Business, prepared by the Human Rights Research and Education Centre, University of Ottawa
 Canadian Business for Social Responsibility — Guidelines for Corporate Social Performance

Annex B – Members of the Guidance Standard’s Panel of Experts

Nir Zichlinsky, CPA (Chairman of the Panel of Experts)
Executive Vice President, Business Development & CFO - BDO, Ziv Haft

Talia Aharoni
President - Maala, Business for Social Responsibility in Israel

Dr. Nitzan Ayal
Environmental Management System (EMS) Coordinator – The Standards Institution of Israel

Michael Atlan, Adv.
Vice Legal Advisor – Ministry of Industry, Trade & Labor, Israel

Sari Ellenberg, Adv. (Coordinator of the Panel of Experts)
The Standards Institution of Israel

Yehuda Arad, Eng.
Executive Director, Safety and Environment - Teva Pharmaceutical Industries Ltd

Dr. Eli Bukspan
Senior Lecturer - Radzyner School of Law, The Interdisciplinary Center, Herzliya

Yan Wolfson, MSM (Masters in the Science of Management, Boston University)
R&D Project and Responsible Care Coordinator – ICL, Industrial Products

Yoel Veil
Executive Director, Quality – Ormat Industries Ltd

Avigdor Zonnenshain, PhD
Operations Deputy – RAFAEL

Tami Zilberg
Professional Manager – Israel Centre for Social Responsibility (NGO)

Yehuda Porat
Vice President, Human Resources – Motorola Israel Ltd

Irit Keinan
Haifa University, Israel

Mickey Stein (M.A.)
Supervisor - Community Schools, Israel Association of Community Centers

Mira Shinhar
Director – Community High Schools & Personal Commitment, the Division for Youth and Society, Ministry of Education, Culture and Sport

Iris Eldar, CPA (Professional advisor to the Panel of Experts)
Head of CSR Reporting Dept. & Head of Public Sector Accounting Unit – BDO, Ziv Haft